



TEXAS DEPARTMENT OF INSURANCE

Division of Workers' Compensation - Medical Fee Dispute Resolution (MS-48)

7551 Metro Center Drive, Suite 100, Austin, Texas 78744-1645

(512) 804-4000 | F: (512) 804-4811 | (800) 252-7031 | TDI.texas.gov | @TexasTDI

MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name

Texas Health Southwest

Respondent Name

Fort Worth ISD

MFDR Tracking Number

M4-15-3671-01

Carrier's Austin Representative

Box Number 16

MFDR Date Received

July 10, 2015

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "HRA has been hired by Texas Health Southwest to audit their Workers Compensation claims. We have found in this audit they have not paid what we determine is the correct amount per the APC allowable per the new fee schedule that started 3/01/2008..."

Amount in Dispute: \$376.46

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "Based on the submitted documentation an additional payment is being made at this time in the amount of \$233.08 including interest."

Response Submitted by: Injury Management Organization, Inc, 10235 West Little York Road, Suite 265, Houston, TX 77040

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
September 20, 2014	96374, 96375	\$376.46	\$149.95

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and applicable rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §134.403 sets out the reimbursement guidelines for outpatient facility services provided in an acute care hospital.

3. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
 - ANSI 236 - This procedure or procedure/modifier combination is not compensable with another procedure or procedure/modifier combination provided on the same day according to the NCCI edits or work comp state regs/fee schedule requirements
 - ANSI P12 – Workers compensation jurisdictional fee schedule adjustment
 - 193 – Original payment decision is being maintained

Issues

1. Did the insurance carrier's maintain their denial of disputed service?
2. What is the applicable rule pertaining to reimbursement?
3. Is the requestor entitled to additional reimbursement?

Findings

1. The insurance carrier denied disputed service 96375 with claim adjustment reason code 236 – “This procedure or procedure/modifier combination is not compensable with another procedure or procedure/modifier combination provided on the same day according to the NCCI edits or work comp state regs/fee schedule requirements” and 96374 with claim adjustment code P12 – “Workers compensation jurisdictional fee schedule adjustment. The respondent did not maintain these denials as evidence of payment with submitted with their response. However, the requestor did not withdraw the dispute and the services in dispute will be reviewed per applicable rules and fee guidelines.
2. Per 28 Texas Administrative Code 134.403(f),

The reimbursement calculation used for establishing the MAR shall be the Medicare facility specific amount, including outlier payment amounts, determined by applying the most recently adopted and effective Medicare Outpatient Prospective Payment System (OPPS) reimbursement formula and factors as published annually in the Federal Register.

(1) The sum of the Medicare facility specific reimbursement amount and any applicable outlier payment amount shall be multiplied by:

(A) 200 percent; unless

(B) a facility or surgical implant provider requests separate reimbursement in accordance with subsection (g) of this section, in which case the facility specific reimbursement amount and any applicable outlier payment amount shall be multiplied by 130 percent.

(2) When calculating outlier payment amounts, the facility's total billed charges shall be reduced by the facility's billed charges for any item reimbursed separately under subsection (g) of this section.

The maximum allowable reimbursement calculations for the services in dispute are found below:

- Procedure code 96374 has a status indicator of S, which denotes a significant procedure, not subject to multiple-procedure discounting, paid under OPPS with separate APC payment. These services are classified under APC 0438, which, per OPPS Addendum A, has a payment rate of \$105.90. This amount multiplied by 60% yields an unadjusted labor-related amount of \$63.54. This amount multiplied by the annual wage index for this facility of 0.9549 yields an adjusted labor-related amount of \$60.67. The non-labor related portion is 40% of the APC rate or \$42.36. The sum of the labor and non-labor related amounts is \$103.03. The cost of these services does not exceed the annual fixed-dollar threshold of \$2,900. The outlier payment amount is \$0. The total Medicare facility specific reimbursement amount for this line is \$103.03. This amount multiplied by 200% yields a MAR of \$206.06.
- Procedure code 96375 has a status indicator of S, which denotes a significant procedure, not subject to multiple-procedure discounting, paid under OPPS with separate APC payment. These services are classified under APC 0437, which, per OPPS Addendum A, has a payment rate of

\$43.78. This amount multiplied by 60% yields an unadjusted labor-related amount of \$26.27. This amount multiplied by the annual wage index for this facility of 0.9549 yields an adjusted labor-related amount of \$25.09. The non-labor related portion is 40% of the APC rate or \$17.51. The sum of the labor and non-labor related amounts is \$42.60 multiplied by 3 units is \$127.80. The cost of these services does not exceed the annual fixed-dollar threshold of \$2,900. The outlier payment amount is \$0. The total Medicare facility specific reimbursement amount for this line is \$127.80. This amount multiplied by 200% yields a MAR of \$255.60.

3. The total allowable reimbursement for the services in dispute is \$461.66. This amount less the amount paid by the insurance carrier of \$312.21 (\$85.20 on November 11, 2014 and \$227.01 on July 30, 2015) leaves a remaining balance of \$149.45 due to the requestor. This amount is recommended.

Conclusion

For the reasons stated above, the Division finds that the requestor has established that additional reimbursement is due. As a result, the amount ordered is \$149.95.

ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code Sections 413.031 and 413.019 (if applicable), the Division has determined that the requestor is entitled to additional reimbursement for the services involved in this dispute. The Division hereby ORDERS the respondent to remit to the requestor the amount of \$149.95 plus applicable accrued interest per 28 Texas Administrative Code §134.130 due within 30 days of receipt of this Order.

Authorized Signature

Signature	Medical Fee Dispute Resolution Officer	September , 2015 Date
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YOUR RIGHT TO APPEAL

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, 37 *Texas Register* 3833, applicable to disputes filed on or after June 1, 2012.

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the Division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the Division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MFDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §141.1(d).

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.